

LNF & IHCIF Calculations Illustration

- COLUSA TRIBAL HEALTH in California area -

Given Data

- 234 = 1998 user count
- \$2,980 = National average cost per person (not including wrap-around costs)
- 90% = % Expenditures on purchased services, 10% = % expenditures in-house
- 115.1% = Cost index for purchasing health care in this geographic area
- 135.7% = Size cost index for in-house costs due to small or large size
- 95.9% = California area cost index for health status above or below average

Cost Adjustment Calculations

- \$3,087 per person for purchased services = $90\% * 115.1\% * \$2,980$
- \$404 per person for in-house services = $10\% * 135.7\% * \$2,980$
- \$3,491 per person total = \$3,087 (purchase) + \$404 (in-house)
- **\$3,349 per person total** adjusted for health status = $\$3,491 * 95.9\%$
- **\$2,604 per person net cost** = $\$3,349 - \745 Other resources (M&M&PI)

Existing Expenditures (for 234 users excluding wrap-around and collections)

- \$364 per person = local IHS allowance (excludes \$ for wrap-around)
- \$222 per person = expenditures elsewhere in California area on behalf of area users
- \$54 per person = expenditures elsewhere in IHS on behalf of IHS users
- **\$640 per person for OU users** = $\$364 + \$222 + \$54$

LNF Calculation

- **19.1% Gross LNF** = $\$640$ (expenditures) / $\$3,349$ total cost (ignoring Medicare, Medicaid, PI spending on behalf of OU users)
- **24.6% Net LNF** = $\$640 / \$2,604$ net cost ($\$3,349 - \745 other)

IHCIF Allocation

- \$215,986 = \$ to raise LNF% from 24.6% to 60%
- \$258,040,100 = aggregate \$ to raise all locations to 60%
- 3.488% IHCIF fraction = $\$9,000,000$ fund / $\$258,040,100$ needed
- **\$7,534 Allocation** = $\$215,986$ needed for 60% * 3.488% IHCIF fraction

COLUSA TRIBAL HEALTH Unmet Needs

- **\$609,400 Net Total Need** = 234 users * $\$2,604$ net cost
- **\$459,746 Net Unmet Need** = $(100\% - 24.6\% \text{ LNF}) * 234$ users * $\$2,604$ net cost